



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT

FILLMORE FIELD OFFICE

95 East 500 North  
Fillmore, Utah 84631



In Reply Refer to:  
3809 (UTW02000)  
UTU-72898-01

June 9, 2011

CERTIFIED MAIL # 7010 1670 0000 7621 5007  
RETURN RECEIPT REQUESTED

## DECISION

O. JAY GATTEN	:	
DESERT MOUNTAIN GOLD INC	:	43 CFR 3809 - Surface Management Plan
447 NORTH 300 WEST #3	:	
KAYSVILLE, UTAH 84037	:	

### Determination of Financial Guarantee Amount

The Plan of Operation for the Coyote Knoll Mine at T. 12 S., R., 6 W., Section 5 and assigned Bureau of Land Management (BLM) case file UTU 72898 is ready to be transferred from McFarland & Hullinger to Desert Mountain Gold, Inc as operator. The Plan of Operation is serialized by the Utah Division of Oil, Gas and Mining (UDOGM) as S/023/086 and allows five acres of disturbance for an open pit mine.

Amount of Financial Guarantee – This office has reviewed the Plan of Operation submitted with the transfer of operator, consulted with UDOGM, and has determined that the financial guarantee of \$25,100 submitted to UDOGM is adequate for the operation. Once the financial guarantee has been accepted, the transfer of operator will be completed. The estimate for reclamation of the currently disturbed area as agreed between BLM and UDOGM is \$25,100.00. The financial guarantee amount is hereby set at \$25,100.00 for reclamation of the current and proposed disturbance at the Coyote Knoll Mine.

Required Financial Guarantee – A financial guarantee totaling \$25,100.00 must be obligated and accepted by the Utah State Office of the BLM at Utah State Office, BLM, PO Box 45155, Salt Lake City, Utah 84145-0155 or 440 West 200 South, Salt Lake City, Utah 84101-1345. That office will issue you a decision as to the acceptability of your financial guarantee. Upon acceptance of the financial guarantee your recent change in operator will be completed.

Appeal of the Decision Determining the Required Financial Guarantee Amount - If you do not agree and are adversely affected by this decision, in accordance with 43 CFR 3809.804, you may request that the Utah BLM State Director review this decision. If you request a State Director review, the request must be received in the Utah BLM State Office, P.O. Box 45155, Salt Lake City, Utah 84145-0155, no later than 30 calendar days after you receive this decision. A copy of the request must also be sent to this office. The request must be in accordance with the provisions provided in 43 CFR 3809.805. If a State Director review is requested, this decision will remain in effect while the State Director review is pending, unless a stay is granted by the State Director. Standards for obtaining a stay are given below. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.



If the State Director does not make a decision concerning your request for review of this decision within 21 days of BLM's receipt of the request, you should consider the request declined and you may appeal this decision to the Interior Board of Land Appeals (IBLA). You may contact the Utah BLM State Office to determine when BLM receives the request for State Director Review. You have 30 days from the end of the 21 day period in which to file your notice of appeal with the IBLA (see procedures below).

If you wish to bypass a State Director review, this decision may be appealed directly to the IBLA in accordance with the regulations contained in 43 CFR, Part 4 and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in the FFO at 95 East 500 North, Fillmore, Utah 84631 within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition pursuant to regulations 43 CFR 4.21 for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the IBLA, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of this notice of appeal and petition for a stay must also be submitted to each party named in the decision, to the IBLA, and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

1. The relative harm to the parties if the stay is granted or denied,
2. The likelihood of the appellants success on the merits,
3. The likelihood of immediate and irreparable harm if the stay is not granted, and
4. Whether the public interest favors granting the stay.

If you have any questions, please contact Jerry Mansfield, Fillmore Field Office Geologist, at 435-743-3125.

Sincerely,

*/s/ Michael D. Gates*

Michael D. Gates  
Field Manager

Enclosure:

Form 1842-1

cc:

Paul Baker

UDOGM

1594 W North Temple Ste 1210

SLC, UT 84114

Opie Abeyta (UT-923)

Utah State Office/ BLM

PO Box 45155

Salt Lake City, UT 84145-0155

JMansfield:sl